ENGROSSED SECOND SUBSTITUTE SENATE BILL 6718

State of Washington 57th Legislature

2002 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Finkbeiner, Regala, Keiser, Jacobsen, Poulsen and Franklin)

READ FIRST TIME 02/12/2002.

AN ACT Relating to state government as a leader in clean energy consumption; amending RCW 43.21F.045; adding new sections to chapter

3 43.21F RCW; adding a new section to chapter 43.19 RCW; and creating a

4 new section.

- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 7 (a) As a significant consumer of energy resources and a committed 8 steward of public health and environmental quality, Washington state
- 9 government is well-positioned to be a leader in promoting and using
- 10 clean energy;
- 11 (b) State government actions to promote and use clean energy are
- 12 consistent with the state's environmental commitments, including
- 13 addressing the potential impact to Washington's quality of life due to
- 14 global climate changes and improving local and regional air quality;
- 15 (c) State government actions to promote and use clean energy are
- 16 also consistent with the state's high priority policy objectives to
- 17 maintain competitive energy costs and a reliable and secure supply of
- 18 energy resources; and

- 1 (d) State government actions to promote and use clean energy are 2 also consistent with the state's goals to support economic development 3 opportunities by reducing traffic congestion and stimulating new and 4 emerging energy technologies within the clean energy industry of the 5 state's high-technology sector.
- 6 (2) The legislature intends state government to adopt a strategy to 7 meet its energy needs by relying on clean energy to the greatest extent 8 practicable.
- 9 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.21F RCW 10 to read as follows:
- The definitions in this section apply throughout RCW 43.21F.015,
- 12 43.21F.045, and section 4 of this act unless the context clearly 13 requires otherwise.
- 14 (1) "Energy conservation measures" has the same meaning as defined 15 in RCW 43.19.670(3) (a) through (j) and (l).
- 16 (2) "Clean energy resources" or "qualified alternative energy 17 resources" means the electricity produced from generation facilities
- 18 that are fueled by: (a) Wind; (b) solar energy; (c) geothermal energy;
- 19 (d) landfill gas; (e) wave or tidal action; (f) fuel cells; (g) gas
- 20 produced during the treatment of wastewater; (h) qualified hydropower;
- 21 or (i) biomass energy based on solid organic fuels from wood, forest,
- 22 or field residues, or dedicated energy crops that do not include wood
- 23 pieces that have been treated with chemical preservatives such as
- 24 creosote, pentachlorophenol, or copper-chrome-arsenic.
- 25 (3) "State" and "state government" means the executive branch
- 26 agencies of the state of Washington that are managed by governor-
- 27 appointed executives and state institutions of higher education.
- 28 **Sec. 3.** RCW 43.21F.045 and 1996 c 186 s 103 are each amended to 29 read as follows:
- 30 (1) The department shall supervise and administer energy-related 31 activities as specified in RCW 43.330.904 and shall advise the governor 32 and the legislature with respect to energy matters affecting the state.
- 33 (2) In addition to other powers and duties granted to the 34 department, the department shall have the following powers and duties:
- 35 (a) Prepare and update contingency plans for implementation in the 36 event of energy shortages or emergencies. The plans shall conform to 37 chapter 43.21G RCW and shall include procedures for determining when

- 1 these shortages or emergencies exist, the state officers and agencies
- 2 to participate in the determination, and actions to be taken by various
- 3 agencies and officers of state government in order to reduce hardship
- 4 and maintain the general welfare during these emergencies. The
- 5 department shall coordinate the activities undertaken pursuant to this
- 6 subsection with other persons. The components of plans that require
- 7 legislation for their implementation shall be presented to the
- 8 legislature in the form of proposed legislation at the earliest
- 9 practicable date. The department shall report to the governor and the
- 10 legislature on probable, imminent, and existing energy shortages, and
- 11 shall administer energy allocation and curtailment programs in
- 12 accordance with chapter 43.21G RCW.
- 13 (b) Establish and maintain a central repository in state government
- 14 for collection of existing data on energy resources, including:
- 15 (i) Supply, demand, costs, utilization technology, projections, and
- 16 forecasts;
- 17 (ii) Comparative costs of alternative energy sources, uses, and
- 18 applications; and
- 19 (iii) Inventory data on energy research projects in the state
- 20 conducted under public and/or private auspices, and the results
- 21 thereof.
- (c) Coordinate federal energy programs appropriate for state-level
- 23 implementation, carry out such energy programs as are assigned to it by
- 24 the governor or the legislature, and monitor federally funded local
- 25 energy programs as required by federal or state regulations.
- 26 (d) Develop energy policy recommendations for consideration by the
- 27 governor and the legislature, including but not limited to strategies
- 28 and options to encourage state agencies to rely on clean energy
- 29 resources to the greatest extent practicable.
- 30 (e) Provide assistance, space, and other support as may be
- 31 necessary for the activities of the state's two representatives to the
- 32 Pacific northwest electric power and conservation planning council. To
- 33 the extent consistent with federal law, the director shall request that
- 34 Washington's council members request the administrator of the
- 35 Bonneville power administration to reimburse the state for the expenses
- 36 associated with the support as provided in the Pacific Northwest
- 37 Electric Power Planning and Conservation Act (P.L. 96-501).

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- 1 (f) Cooperate with state agencies, other governmental units, and 2 private interests in the prioritization and implementation of the state 3 energy strategy elements and on other energy matters.
- 4 (g) Serve as the official state agency responsible for coordinating 5 implementation of the state energy strategy.
- 6 (h) No later than December 1, 1982, and by December 1st of each 7 even-numbered year thereafter, prepare and transmit to the governor and 8 the appropriate committees of the legislature a report on the 9 implementation of the state energy strategy and other important energy 10 issues, as appropriate.
- 11 (i) Provide support for increasing cost-effective energy 12 conservation, including assisting in the removal of impediments to 13 timely implementation.
- (j) Provide support for the development of cost-effective energy resources including assisting in the removal of impediments to timely construction.
- 17 (k) Adopt rules, under chapter 34.05 RCW, necessary to carry out 18 the powers and duties enumerated in this chapter.
- (1) Provide administrative assistance, space, and other support as may be necessary for the activities of the energy facility site evaluation council, as provided for in RCW 80.50.030.
- (m) Appoint staff as may be needed to administer energy policy 23 functions and manage energy facility site evaluation council 24 activities. These employees are exempt from the provisions of chapter 25 41.06 RCW.
- 26 (3) To the extent the powers and duties set out under this section 27 relate to energy education, applied research, and technology transfer 28 programs they are transferred to Washington State University.
- 29 (4) To the extent the powers and duties set out under this section 30 relate to energy efficiency in public buildings they are transferred to 31 the department of general administration.
- NEW SECTION. **Sec. 4.** A new section is added to chapter 43.19 RCW to read as follows:
- 34 (1) The department of general administration shall encourage each 35 agency of state government to use clean energy resources as defined in 36 section 2 of this act. Each agency of state government shall determine 37 the amount of clean energy resources that should be purchased and all 38 such purchases shall be made within existing resources.

- 1 (2) Each agency is encouraged to obtain at least two percent per 2 biennium of its energy consumption from clean energy resources or a 3 reduction in consumption of at least two percent through energy 4 conservation and energy efficiency measures, or a combination thereof. 5 The goal is to reach a cumulative total of ten percent by June 30,
- NEW SECTION. Sec. 5. A new section is added to chapter 43.21F RCW to read as follows:

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- In preparing the biennial energy report required under RCW 43.21F.045(2)(h) to be transmitted to the governor and the legislature by December 1, 2002, the department must include the following information:
- 13 (1) An estimate of the current and potential future contributions 14 to global climate change as a result of state government's current and 15 projected energy consumption;
- 16 (2) Identification of specific strategies and options to reduce or 17 offset the contributions to global climate change attributable to the 18 state's energy consumption. Strategies and options may include:
- 19 (a) Reducing the state's consumption of electricity through 20 aggressive pursuit of cost-effective energy conservation and efficiency 21 opportunities;
- (b) Increasing the proportion of electricity the state generates for its own use or purchases through an electric utility from clean energy resources; and
- (c) Addressing transportation-related energy challenges such as improving the fuel efficiency of the state's vehicle fleet, using alternative fuels in the state's vehicle fleet, changing the ways state employees and contractors travel, and developing transportation substitutes for state employees and contractors; and
- 30 (3) A status report on the planning and progress related to 31 implementing section 4 of this act. The status report shall also 32 include an analysis of the projected costs and projected benefits to 33 the state from pursuing the goals set in section 4 of this act.

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